



# COUNTY OF LOS ANGELES

## FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE  
LOS ANGELES, CALIFORNIA 90063-3294  
(323) 881-2401

P. MICHAEL FREEMAN  
FIRE CHIEF  
FORESTER & FIRE WARDEN

August 18, 2009

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**REQUEST APPROVAL OF TAX RATE LEVY FOR THE FISCAL YEAR 2009-10  
VOTER-APPROVED FIRE PROTECTION DISTRICT SPECIAL TAX  
(ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

Approval of the attached resolution will authorize the Fiscal Year 2009-10 levy of the Consolidated Fire Protection District's (District's) special tax generating an estimated \$66.1 million for fire protection and emergency medical services throughout the District, an increase of \$7.3 million from 2008-09. The rate for a single family home would increase from \$49.93 to \$56.17, with proportional increases in all other rates.

**IT IS RECOMMENDED THAT YOUR HONORABLE BOARD, ACTING AS THE  
GOVERNING BODY OF THE CONSOLIDATED FIRE PROTECTION DISTRICT:**

1. Adopt the attached resolution fixing the Fiscal Year 2009-10 tax rate for the Consolidated Fire Protection District of Los Angeles County voter-approved special tax.
2. Instruct the Fire Chief and the Auditor-Controller to take all actions necessary to implement the special tax levy at the rates specified in the attached resolution for Fiscal Year 2009-10.

SERVING THE UNINCORPORATED AREAS OF LOS ANGELES COUNTY AND THE CITIES OF:

AGOURA HILLS  
ARTESIA  
AZUSA  
BALDWIN PARK  
BELL  
BELL GARDENS  
BELLFLOWER  
BRADBURY

CALABASAS  
CARSON  
CERRITOS  
CLAREMONT  
COMMERCE  
COVINA  
CUDAHY

DIAMOND BAR  
DUARTE  
EL MONTE  
GARDENA  
GLENORA  
HAWAIIAN GARDENS  
HAWTHORNE

HIDDEN HILLS  
HUNTINGTON PARK  
INDUSTRY  
INGLEWOOD  
IRVINDALE  
LA CANADA FLINTRIDGE  
LA HABRA

LA MIRADA  
LA PUENTE  
LAKEWOOD  
LANCASTER  
LAWNDALE  
LOMITA  
LYNWOOD

MALIBU  
MAYWOOD  
NORWALK  
PALMDALE  
PALOS VERDES ESTATES  
PARAMOUNT  
PICO RIVERA

POMONA  
RANCHO PALOS VERDES  
ROLLING HILLS  
ROLLING HILLS ESTATES  
ROSEMEAD  
SAN DIMAS  
SANTA CLARITA

SIGNAL HILL  
SOUTH EL MONTE  
SOUTH GATE  
TEMPLE CITY  
WALNUT  
WEST HOLLYWOOD  
WESTLAKE VILLAGE  
WHITTIER

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The economic downturn, drop in property tax revenue, pending "loan" of property tax revenues to the State of California, and cost of staffing new fire stations is creating a significant cumulative funding shortfall of \$161.4 million over the next three years. This shortfall is in spite of the curtailments and expenditure freezes of \$22.6 million implemented in 2008-09 that will continue in 2009-10, totaling \$45.2 million in reduced costs. The District's fiscal forecast projections indicate an ongoing \$32.3 million shortfall for 2009-10, which escalates to \$60.9 million in 2010-11 and \$68.2 million in 2011-12.

To resolve the \$32.3 million shortfall for 2009-10, we are recommending that the special tax be increased to generate an additional \$7.3 million. The Department will also use one-time funds of \$25 million that had been set aside for future capital projects and other Departmental needs. The combination of a special tax increase, use of one-time funds, and continued curtailments will ensure a balanced budget for 2009-10.

We are aware that discussions are underway to implement provisions of AB15-X4 that would allow the transfer of the \$44 million State debt to a joint powers authority (JPA). We do not recommend assuming the \$44 million will be restored in Fiscal Year 2009-10. If the debt is transferred to a JPA and the \$44 million revenue is restored, it will be factored into our 2010-11 budget to reduce that year's projected shortfall of \$60.9 million.

Your Board has consistently levied the special tax rates in a conservative manner. While rates were increased to the maximum in 2002-03, they were reduced the following year, and no increases have been levied through 2008-09. The increase recommended for 2009-10 would result in the special tax levy for a single family home rising from \$49.93 to \$56.17, a \$6.24 annual increase, with proportional increases of 12.5% for other property use types as specified in the attached resolution. This additional revenue is an essential component in funding fire protection and emergency medical services in 2009-10, and remains below the maximum levy allowed because of the use of one-time funds.

### **Independent Citizens' Oversight Committee**

The Independent Citizens' Oversight Committee (ICOC) met on August 5, 2009, and made the required annual finding that the District is using the special tax funds only for providing fire protection and emergency medical services. Their report is attached.

Implementation of Strategic Plan Goals

This action is consistent with the Strategic Plan Goal of Fiscal Sustainability, Goal 1.1, as the special tax provides long-term revenue essential for maintaining fire protection and emergency medical services.

**FISCAL IMPACT/FINANCING**

The District's Fiscal Year 2009-10 Adopted Budget reflects \$71.7 million in special tax revenue, which included a projected increase of \$12.9 million. We are now recommending a lower levy of only \$66.1 million, an increase of \$7.3 million from 2008-09, at the rates defined on the attached resolution. This increase, when balanced with curtailments and one-time funds, will provide sufficient funding for Fiscal Year 2009-10. There is no impact on net County cost.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

California Health and Safety Code Section 13911 and California Government Code Section 50075 et seq. authorize the levying of the special tax. Your Board may levy the rate at any amount up to the maximum rates as indicated on Exhibit I. Approval of the resolution will levy the special tax at a rate of \$56.17 per single family home, with rates for other property use types as specified in the resolution.

County Counsel has approved the resolution as to form.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

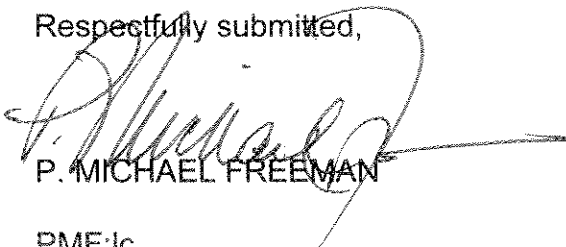
Levying the special tax rate at \$56.17 per single family home, with rates for other property use types as specified in the resolution, will generate essential funding to continue providing fire protection and emergency medical services to the residents of Los Angeles County protected by the District.

The Honorable Board of Supervisors  
August 18, 2009  
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**CONCLUSION**

Upon adoption by your Honorable Board, please instruct the Executive Officer, Clerk of the Board to return two (2) copies of the Minute Order and/or this approved letter and resolution, as applicable, to this office.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "P. Michael Freeman", with a long horizontal flourish extending to the right.

PMF:lc

Attachments

c: Chief Executive Officer  
Acting County Counsel  
Auditor-Controller  
Executive Officer, Board of Supervisors

# **INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE**

## **Los Angeles County Fire Department Special Tax**

August 5, 2009

Committee Members  
Bryce Anderson  
Jim Goldsworthy  
Pilar M. Hoyos  
Laura Lee  
Charles Rim

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Ex Officio Member  
Isaac D. Barcelona

Dear Supervisors:

### **REPORT OF COMMITTEE FINDINGS**

The purpose of this letter is to report the findings of the Independent Citizens' Oversight Committee's (ICOC) review of the expenditure of the Fire Department's special tax revenue. As required by the provisions of the Proposition E special tax measure of 1997, the ICOC reviewed the Fire Station Historical Costs dated July 24, 2008, the Uniform Position Costs dated May, 2008, and the History of Special Tax Levy through 2009-10 to determine that the special tax revenue for Fiscal Year 2008-09 was expended for fire protection or paramedic rescue services.

#### Background

In accordance with Proposition E, the Board established the ICOC. The ICOC consists of a representative from each Board office, a city council representative appointed by the Los Angeles County City Selection Committee and the Chair of the Los Angeles County Economy and Efficiency Commission as an *ex officio* member. The duties prescribed for the ICOC are as follows:

- Meet at least once in each fiscal year.
- Review expenditures paid from the special tax to ensure that such expenditures are for "Fire Protection or Paramedic Rescue Services," which specifically include emergency paramedic rescue, firefighting, search and rescue, and hazardous materials and disaster response.
- Report the Committee's findings to the Board of Supervisors, which satisfies the public reporting requirement.

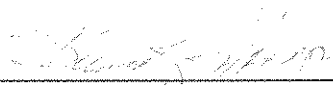
The ICOC met on August 5, 2009, at which time Committee members were briefed on the Fiscal Year 2009-10 Funding and Expenditure Projections.

The Honorable Board of Supervisors  
August 5, 2009  
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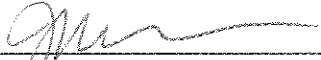
Findings

With regard to the expenditures of the special tax in 2008-09, the Committee finds that the 2008-09 special tax revenues were expended for fire protection and paramedic services in accordance with provisions of Proposition E.

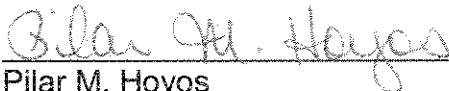
Respectfully submitted,



\_\_\_\_\_  
Bryce Anderson



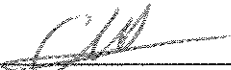
\_\_\_\_\_  
Jim Goldsworthy



\_\_\_\_\_  
Pilar M. Hoyos

Absent

\_\_\_\_\_  
Laura Lee



\_\_\_\_\_  
Charles A. Rim



\_\_\_\_\_  
Isaac D. Barcelona

da

c: Executive Officer, Board of Supervisors

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF**  
**LOS ANGELES ACTING AS THE GOVERNING BODY OF THE**  
**CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY**  
**FIXING THE SPECIAL TAX RATE FOR THE**  
**CONSOLIDATED FIRE PROTECTION DISTRICT**  
**AND LEVYING THE SPECIAL TAX UPON THE**  
**TAXABLE PROPERTY OF THE COUNTY OF LOS ANGELES FOR THE**  
**FISCAL YEAR 2009-2010**

WHEREAS, on June 3, 1997, the voters within the cities of Agoura Hills, Artesia, Azusa, Baldwin Park, Bell, Bellflower, Bell Gardens, Bradbury, Calabasas, Carson, Cerritos, Claremont, Cudahy, Diamond Bar, Duarte, Glendora, Hawaiian Gardens, Hidden Hills, Huntington Park, Industry, Irwindale, La Canada Flintridge, Lakewood, La Mirada, Lancaster, La Puente, Lawndale, Lomita, Malibu, Maywood, Norwalk, Palmdale, Paramount, Pico Rivera, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, Rosemead, San Dimas, Santa Clarita, Signal Hill, South El Monte, South Gate, Temple City, Walnut, West Hollywood, Westlake Village and Whittier, and within the unincorporated area of the County of Los Angeles (the "County"), approved a special tax for fire protection and paramedic services (the "special tax"); and

WHEREAS, certain special tax rates were approved, based upon property use type and size of improvements, to be annually increased by a maximum of the lesser of (i) 2 percent or (ii) the California Consumer Price Index, which maximum special tax

rates are herein specified in Exhibit 1 attached to this Resolution, hereinafter referred to as "maximum rates"; and

WHEREAS, the Board of Supervisors may annually levy an amount up to the maximum rates for the special tax as approved by the voters; and

WHEREAS, the Board of Supervisors desires to levy the special tax at rates less than the maximum rates allowed, as specified and fixed in Exhibit 2 attached to this Resolution.

NOW, THEREFORE, BE IT RESOLVED, that pursuant to Section 13911 of the Health and Safety Code of the State of California and Section 50075 *et seq.* of the Government Code of the State of California, the Board of Supervisors of the County of Los Angeles, acting as the governing body of the Consolidated Fire Protection District of Los Angeles County, does hereby levy the special tax upon the taxable property of the County within the cities of Agoura Hills, Artesia, Azusa, Baldwin Park, Bell, Bellflower, Bell Gardens, Bradbury, Calabasas, Carson, Cerritos, Claremont, Cudahy, Diamond Bar, Duarte, Glendora, Hawaiian Gardens, Hidden Hills, Huntington Park, Industry, Irwindale, La Canada Flintridge, Lakewood, La Mirada, Lancaster, La Puente, Lawndale, Lomita, Malibu, Maywood, Norwalk, Palmdale, Paramount, Pico Rivera, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, Rosemead, San Dimas, Santa Clarita, Signal Hill, South El Monte, South Gate, Temple City, Walnut, West Hollywood, Westlake Village and Whittier, and within the unincorporated area of the County, at rates less than the maximum rates allowed, as specified and fixed in Exhibit 2 attached to this Resolution.




The foregoing resolution was on the \_\_\_\_\_ day of \_\_\_\_\_, 2009,  
adopted by the Board of Supervisors of the County of Los Angeles and *ex-officio* the  
governing body of all other special assessment and taxing districts, agencies and  
authorities for which said Board so acts.

SACHI A. HAMAI, Executive Officer-  
Clerk of the Board of Supervisors of the County  
of Los Angeles

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

ROBERT E. KALUNIAN  
Acting County Counsel

By  \_\_\_\_\_  
Scott Kuhn, Senior Deputy

# EXHIBIT I

## SUMMARY OF MAXIMUM RATES FOR PROPOSITION E

### VOTER-APPROVED SPECIAL TAX FOR THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY

LAND USE	MAXIMUM RATES* (2.0% Increase)	
	2008-09	2009-10
Single Family Residential	\$59.53	\$60.72
Mobile Home in Park	29.76	30.36
Multiple Family Residential		
+ Square Footage Rate (over 1,555 sq. ft.)	75.21	76.71
+ Square Footage Rate with sprinkler	0.0075	0.0077
credit (over 1,555 sq. ft.)	0.0071	0.0072
Non-Residential		
+ Square Footage Rate (over 1,555 sq. ft.)**	72.05	73.49
+ Square Footage Rate with sprinkler	0.0485	0.0495
credit (over 1,555 sq. ft.)**	0.0466	0.0475
High Rise		
+ Square Footage Rate (over 1,555 sq. ft.)**	87.72	89.47
+ Square Footage Rate with sprinkler	0.0592	0.0604
credit (over 1,555 sq. ft.)**	0.0566	0.0577
Special Use		
+ Square Footage Rate (over 1,555 sq. ft.)**	109.65	111.84
+ Square Footage Rate with sprinkler	0.0740	0.0755
credit (over 1,555 sq. ft.)**	0.0707	0.0721
Vacant-2 acres or less	14.89	15.19
Vacant-2+ acres to 10 acres	19.65	20.04
Vacant-10+ acres to 50 acres	39.30	40.09
Vacant-50+ acres	59.53	60.72

\* Maximum rates may not necessarily be the actual rates imposed by the Los Angeles County Board of Supervisors.

\*\* Capped at 100,000 square feet.

See Appendix A to the Amended and Restated Resolution of the Board of Supervisors March 4, 1997 for a full explanation of land use categories and the application of the special tax rates.

**PROPOSITION E — VOTER-APPROVED SPECIAL TAX FOR THE  
CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY**

**Special Tax Rates for Fiscal Year 2009-2010**

<b>Land Use</b>	<b>Special Tax Rate</b>	<b>Special Tax Rate w/Sprinkler Credit</b>
Single Family Residential	\$56.17	NOT APPLICABLE
Mobile Home in Park	\$28.08	NOT APPLICABLE
Multiple Family Residential	\$70.95 + \$.0072 per sq. ft. over 1,555 sq. ft.	\$70.95 + \$.0069 per sq. ft. over 1,555 sq. ft.
Non-Residential	\$67.98 + \$.0458 per sq. ft. over 1,555 sq. ft.*	\$67.98 + \$.0440 per sq. ft. over 1,555 sq. ft.*
High Rise	\$82.78 + \$.0558 per sq. ft. over 1,555 sq. ft.*	\$82.78 + \$.0534 per sq. ft. over 1,555 sq. ft.*
Special Use	\$103.46 + \$.0698 per sq. ft. over 1,555 sq. ft.*	\$103.46 + \$.0666 per sq. ft. over 1,555 sq. ft.*
Vacant Land - 2 acres or less	\$14.04	NOT APPLICABLE
Vacant Land - more than 2 acres and less than or equal to 10 acres	\$18.54	NOT APPLICABLE
Vacant Land - more than 10 acres and less than or equal to 50 acres	\$37.06	NOT APPLICABLE
Vacant Land - more than 50 acres	\$56.17	NOT APPLICABLE

\*Capped at 100,000 square feet per parcel.